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Poll: 26 %to vote for DPJ, 22 %for LDP

Ahead of the upcoming election for the House of Councillors, the leading opposition Democratic Party of Japan (Minshuto) stood at 26 % in popularity rating for proportional representation and the ruling Liberal Democratic Party was at 22 % , the Asahi Shimbun found from its recent 9th telephone-based serial public opinion survey. The DPJ topped the LDP this time, following the last survey. In rivalry for electoral districts as well, the DPJ had a lead over the LDP. The rate of public support for Prime Minister Abe and his cabinet was 31 % , up from the 28 % rating in the last survey. However, the nonsupport rate was 51 % (48 % in the last survey), paralleling its all-time low.

The proportion of those who are "very interested" in the House of Councillors election increased to 38 % (34 % in the last survey). The figure was between 30 % and 35 % over the past period of one month. However, the public's interest seems to be growing with the election to

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be announced July 12. The last election for the House of Councillors was held three years. At that time, the figure was around 30 % until just before voting.

In the past three surveys from the seventh survey to the ninth one, the DPJ marked 23 % , 25 % , and 26 % for proportional representation. The LDP increased to 22 % this time from 19 % in the last survey. However, the LDP is still behind the DPJ.

In the public choice of political parties for voting in electoral districts, the DPJ rose to 28 % (25 % in the last survey). The LDP was at 25 % (26 % in the last survey), staying at almost the same level for the sixth week in a row. In the survey, respondents were also asked if they would like the ruling coalition to retain its current majority of the seats in the House of Councillors as a result of its election this time or otherwise if they would like the opposition camp to win a majority. To this question, 48 % chose the opposition camp, with 29 % preferring the LDP-led ruling coalition.

The general public is turning a severe eye to the Abe cabinet due in part to the government's pension record-keeping flaws and Defense Minister Kyuma's resignation. Abe last week announced a new set of measures, including a plan to check pension records earlier than scheduled. In the survey, respondents were asked if they appreciated the Abe cabinet's response to the pension issue. To this question, "yes" accounted for 30 % , up from 24 % in the last survey. However, "no" was at 56 % (59 %) , still topping 50 % .

Defense Minister Kyuma has now resigned over his remarks that justified the United States' atomic-bombings of Japan. In the survey, respondents were asked if they thought Abe's response over this issue was appropriate. To this question, negative answers accounted for 58 % , with affirmative answers at 23 % . Respondents were also asked if they thought Abe's appointment of Yuriko Koike as the successor to Kyuma was good. In response, "yes" accounted for 38 % , with "no" at 32 % .

In the breakdown of public support for political parties, the LDP stood at 26 % , with the DPJ at 20 % . New Komeito, the LDP's coalition partner, was at 4 % . The Japanese Communist Party was at 3 % and the Social Democratic Party (Shaminto) at 1 % .

4) Farm Minister Akagi's political organization registers 100 million yen in office expenses over decade for use of parents' and wife's homes

TOKYO SHIMBUN (Top Play) (Excerpts)
July 8, 2007

A political funds scandal has surfaced involving Agriculture, Forestry and Fisheries Minister Norihiko Akagi. The home of his parents in Ibaraki Prefecture has been registered as the office of his political organization, but the organization declared a total of approximately 90.45 million yen as operating costs in the ten-year

period up to 2005, according to its reports on political funds.

In replying to questions from reporters yesterday, Akagi denied the allegation, saying, "There has been no fictitious booking of costs."

Over the 10-year period, the organization registered about 54.53 million yen in personnel costs, accounting for nearly 60 % ; about

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16.31 million yen in office expenses; about 12.66 million yen in miscellaneous costs; and about 7.94 million yen as utility costs.

The amount of operating costs reported by the organization greatly varies according to year. The group had declared more than 10 million yen for the four years in a row since 1998, but the sum significantly dropped to the 2-million-yen level in 2004 and 2005.

The amount of office expenses should not wildly change, but the group reported about 3.57 million yen in 2003 but only about 400,000 yen in 2005.

Before reporters, Akagi said: "Since the organization's office is in my parents' home, rent has not been paid. The reported office expenses include telephone, stamps, office equipment rental, and other charges."

Akagi's another political organization whose office is situated in the home of his wife's parents in Setagaya War, Tokyo, also reported a total about 15 million yen in the ten-year period up to 2005, according to its political funds reports submitted to the internal affairs and communications minister.

The representative of the group said: "I succeeded the representative post from my father about 10 years ago. Farm Minister Akagi's wife is my niece. I have just given my name, so I don't know about any expenditures."

5) Prime minister turns down opposition camp's demand for dismissing Akagi

TOKYO SHIMBUN (Page 1) (Excerpts)
July 8, 2007

Prime Minister Shinzo Abe turned down a demand from opposition parties that Agriculture, Forestry and Fisheries Minister Akagi be dismissed over his political group's alleged accounting irregularities. In the run-up to the House of Councillors election on July 29, however, ruling party members might call for his resignation if public criticism grows louder.

Last December, Genichiro Sata, then state minister in charge of administrative reform, was driven to resign over inappropriate accounting of his political expenses. The prime minister categorically said, "This case is different from (that of Sata)," brushing aside the allegation. Abe also indicated that there was no problem with the response taken after the scandal emerged, saying: "I hear Mr. Akagi has clearly explained the circumstances." The prime minister was replying to questions by reporters in front of his official residence.

In street-corner speeches or dialogues, senior members of opposition parties harshly denounced the Akagi political funds issue yesterday. Taking the allegations against Akagi as good material for attacking the ruling camp prior to the House of Councillors election, opposition members intend not only to call for Abe to dismiss the farm minister but also to thoroughly pursue Prime Minister Abe's responsibility for appointing him.

Democratic Party of Japan (Minshuto) President Ichiro Ozawa emphasized to reporters in Nagoya last night: "So many 'politics-and-money' scandals have emerged, including those

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involving Farm Minister Akagi and former Farm Minister Toshiaki Matsuoka, who committed suicide. Under such a situation, it is impossible for the administration to win public trust. I expect the people to make a wise judgment in the (Upper House) election, including Prime Minister Abe's responsibility for appointing them."

6) Agriculture minister's office expenses: Opposition determined to pursue prime minister's responsibility; Ruling parties concerned about possible impact on Upper House election

YOMIURI (Page 4) (Full)
July 8, 2007

The opposition camp on July 7 harshly criticized Agriculture Minister Akagi in response to his office expenses with the public announcement of the Upper House election on July 12. They called for his resignation. They are stepping up their offensive and are geared up to pursue the prime minister's responsibility for appointing him.

Democratic Party of Japan (DPJ or Minshuto) head Ozawa on July 7 told reporters in Nagoya: "Mr. Akagi finds it impossible to explain his money matters to the public. The Abe cabinet has too many situations like this. It will be unable to obtain understanding from the people." Regarding the prime minister's responsibility, he said: "It is only natural that the person who appointed Akagi is responsible. The public will make their judgment in the Upper House election."

Japanese Communist Party General Secretary Ichita the following day told reporters at the party head office: "The minister in question should resign. If he does not quit, Prime Minister Abe should dismiss Mr. Akagi." Social Democratic Party head Fukushima in a statement sought the dismissal of Akagi and his explanation on the issue at the Lower House Budget Committee.

The opposition camp intends to question the prime minister on this issue at a party head debate to be held at the Japan National Press Club.

The amended Political Funds Control Law, which was submitted by the ruling parties and enacted during the previous Diet session, obligates lawmakers to attach receipts when they report operating expenses of their fund control organizations, if expenditures, excluding personnel expenses, exceed 50,000 yen. The regulation does not cover the political organization in question this time. The DPJ had insisted on covering political organizations, as well. It intends to point out the ruling parties' lax approach.

The ruling camp is taking the issue seriously.

Upper House Policy Deliberation Council Chairman Yoichi Masuzoe, who is expected to run in the election in a proportional-representation bloc, on July 7 said, "The pension flap, the resignation of Defense Minister Akio Kyuma, and the "money and politics" issue ... the ruling camp is in dire straits. We are bound to lose votes."

One senior ruling party official yesterday said: "There is a discrepancy between the explanation given by the agriculture minister and the accounts given by local sources. We need to hear more. If he cannot explain this, then we must take it as a serious problem." He thus indicated his view that the explanation given by

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Akagi that day was insufficient.

Akagi succeeded former Agriculture Minister Toshikatsu Matsuoka, who killed himself following revelations of dubious accounting. Given that, some fear that the issues surrounding Akagi will call into question the prime minister's responsibility.

7) Prime minister again stands behind agriculture minister over his alleged mishandling of offices expenses

ASAHI (Page 1) (Excerpts)
July 9, 2007

With the looming suspicions of financial impropriety involving Agriculture Minister Akagi, the "politics-and-money" problem has now again captured public attention to become a campaign issue for the upcoming Upper House election. The Abe administration and the governing coalition once tried to sidestep the problem by revising the Political Funds Control Law after suffering a blow from former Agriculture Minister Toshikatsu Matsuoka's suicide, but now again the improper handling of offices expenses involving the successor minister to Matsuoka has been exposed. Prime Minister Abe's responsibility for installing Akagi in the ministerial post and the appropriateness of the revised Political Funds Control Law are both likely to be called into question. The ruling bloc is increasingly frustrated by the increasing headwind even before the announcement of the Upper House election on July 12.

The heads of the ruling coalition came under heavy fire from chiefs of opposition parties on TV political talk shows yesterday.

The major opposition Democratic Party of Japan's (Minshuto) President Ozawa argued: "It's a matter of transparency. The important thing is to come out with all measures to resolve the problem and give an explanation."

The Japanese Communist Party's (JCP) Chairman Shii raised this question: "Does the prime minister intend to ask the agriculture minister to present the relevant receipts?"

The minority opposition Social Democratic Party's (SDP) leader Fukushima contended: "If no proper explanation is given, we will call for his dismissal. The prime minister will bear a heavy responsibility for having appointed him."

Ahead of the Upper House election, opposition parties intend to emphasize that the Abe administration has been lax about the "politics-and-money" scandals and lacks crisis management capability.

All the prime minister can do at present is just to defend Akagi, given that Genichiro Sata resigned as state minister in charge of administrative reform over the improper handling of offices expenses, that former Agriculture Minister Matsuoka committed suicide, and that on July 3, former Defense Minister Fumio Kyuma resigned from his post due to his controversial remarks that the dropping of atomic bombs "couldn't be helped." A mainstay lawmaker of the ruling Liberal Democratic Party (LDP) noted: "After Mr. Matsuoka committed suicide, if his successor resigns from the post over a similar problem, what can our party do?"

Abe initially wanted to use his successive appearance on TV programs

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as an occasion to take the offensive. But the revelation of the suspicions of financial impropriety involving Akagi forced Abe to go on the defensive.

On the night of July 7, one senior LDP member pointed to the prime minister's responsibility for appointing Agaki to the post. The member complained: "If I were the prime minister, I would not have chosen Akagi as farm minister. (Scandals) seem to continue to crop up one after the other. It's shameful."

8) Farm minister's father retracts statement that house was not used as office

MAINICHI (Page 2) (Full)
July 9, 2007

A political funds scandal has surfaced involving Agriculture, Forestry and Fisheries Minister Norihiko Akagi. It has been alleged that although a political group supporting Akagi Ibaraki has set its office in the home of his parents in Ibaraki Prefecture without carrying out political activities, the group reported huge amounts of expenditures. On this matter, Akagi's father distributed to reporters copies of a note that said: "My house is still used as an office." The father had said previously: "I was not aware that my

house had been registered (as the office of the organization).
(Political activities) have not been carried out here."

The note said: "It has been reported that my house has not been used as an office, but the truth has not been properly reported," adding: "I meant that although a secretary had been stationed at the house before, current activities here are not as active as before."

9) Farm Minister Akagi: Father's statement was based on "simple misunderstanding"

MAINICHI (Page 2) (Full)
July 9, 2007

Agriculture, Forestry and Fisheries Minister Akagi told reporters last night: "(My father's statement on the 7th) was based on a simple misunderstanding. The house has been used for many years for organization members to hold various meetings." Akagi also turned down a demand by opposition parties that he disclose the details of the reported expenses, saying: "Since there is no legal requirement for the details to be announced, we will proceed in accordance with the relevant law."

10) Consumption tax hike: "Spending cuts first," says prime minister, indicating his intention to discuss issue in fall and later

ASAHI (Page 2) (Full)
July 9, 2007

Referring to the possibility of hiking the consumption tax after the Upper House election, Prime Minister Abe yesterday indicated his intention to discuss the matter during a tax code revision in the fall and thereafter. He noted: "I will cut expenditures in a far-reaching way. Economic growth will boost tax revenues. I would then like to discuss the issue, including measures to make up for a tax revenue shortfall." He made this comments on NHK and commercial TV talk shows.

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The prime minister on a commercial TV program on the 5th made a remark that could be taken as positive toward increasing the tax, saying, "I have never said that I would not raise the consumption tax." However, as the consumption tax comes into the focus of the election campaign, he has toned down his stance using cautious rhetoric. On the 8th, too, he simply noted, "There is an ample possibility of steering clear of hiking the consumption tax" or "A hike in the consumption tax will slow economic growth, leading to a slower increase in tax revenues than expected"

Democratic Party of Japan (DPJ or Minshuto) head Ozawa said, "Tax hikes worth almost 9 trillion yen have been implemented during the Koizumi and Abe administrations. If the consumption tax were raised at this juncture, it would be those in the lower income bracket that will take the brunt." He indicated his intention to freeze the tax rate and pointed out, "If the prime minister thinks it is necessary to hike the tax, he can say so. However, since the issue involves the public burden, he must take it upon himself to clarify his policy."

11) Wartime comfort-women issue: LDP policy chief Shoichi Nakagawa rails: "Kono Statement is masochistic"

AKAHATA (Page 1) (Full)
July 7, 2007

Liberal Democratic Party (LDP) Policy Research Council Chairman Shoichi Nakagawa, appearing on a Radio Nippon program July 6, criticized the 1993 statement by then Chief Cabinet Secretary Yohei Kono (currently speaker of the Lower House) acknowledging and apologizing for the former Imperial Japanese Army's involvement in coercive recruitment of "comfort women." Nakagawa said, "(Kono) had a masochistic way of thinking." He then added: "Even if they are lies, foreign countries proudly spout them out. I cannot accept the (Japanese government) muzzling those who think the truth."

In the United States in late June, the House of Representatives Foreign Affairs Committee adopted by an overwhelming majority a resolution demanding an apology from Japan for the comfort-women problem. There is a strong likelihood that the full House will pass the resolution in mid-July. Nakagawa in his remarks displayed strong defiance of such growing international criticism.

12) Japan asks US for cooperation over FX selection

NIKKEI (Page 2) (Full)
July 8, 2007

WASHINGTON-Vice Defense Minister Takemasa Moriya met with former US Deputy Under Secretary of Defense Lawless and Deputy Secretary of State Negroponte on July 6. In his meetings with them, Moriya asked for cooperation, explaining that Japan will select its follow-on mainstay fighter plane in the summer of next year. With this, Moriya asked the United States to provide data about the F-22 stealth fighter.

The United States prohibits itself from exporting the F-22, which is hard to detect with radar. In the United States, there are questions regarding Japan's information security against the backdrop of Aegis vessel data leaks.

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13) Japan should create long-term strategy first: Lawless

ASAHI (Page 1) (Abridged)
Eve., July 7, 2007

Yoichi Kato

WASHINGTON-Former US Deputy Under Secretary of Defense Lawless, who was in charge of US security policy toward Asia, met Asahi Shimbun and other news media reporters on July 6 for the first time since his retirement last weekend. Japan is going to pick the Air Self-Defense Force's follow-on mainstay fighter plane (FX), with an eye to the F-22, a state-of-the-art stealth fighter developed by the United States. The question, however, is whether the United States will agree to export the F-22 to Japan. "I'm saying we will have to explore a common understanding over whether Japan will really need this fighter plane in the 20 or 30 years ahead," Lawless said. With this, he stressed that Japan should create a long-term military strategy first.

Japan has asked the United States to provide F-22 data in order to select a candidate model. However, the US government has not responded on the grounds of a US congressional decision that prohibits the United States from exporting the F-22.

"It's logical for Japan to ask for detailed data," Lawless said, adding: "I don't want Japan to say it wants the F-22 as a symbol (of its defense capabilities) because it's attractive." So saying, Lawless urged Japan to specify its necessity from the perspective of military strategy.

Given that the US Congress is not expected to reverse course for the time being, Lawless indicated that the US government will have no choice but to consider Japan's strategic need based on unrestricted basic data.

Meanwhile, the Maritime Self-Defense Force has been engaged in refueling activities in the Indian Ocean under the Antiterrorism Special Measures Law. This law, however, will expire in November. In response, the Japanese government is looking into the possibility of sending transport helicopters from the Ground Self-Defense as an additional measure. However, Lawless said the US government has not made any official request to the Japanese government.

However, Lawless revealed that the United States has told Japan that the US government would like to hold consultations this fall about what the two countries can do together. Specifically, he said the United States would ask Japan to send personnel or "other (military)

capabilities to a provisional reconstruction team (PRT)." With this, he implied that the United States could ask Japan to send heavy-lift helicopters.

14) North Korea launched ballistic missiles on three occasions since May in violation of UN resolution

YOMIURI (Page 1) (Full)
July 7, 2007

The government has confirmed that short-range missiles launched by North Korea into the Sea of Japan and the Yellow Sea on May 25 and June 7 were ballistic missiles.

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The North launched short-ranged missiles on June 27, as well. The US National Security Council concluded that those missiles were ballistic, and Prime Minister Shinzo Abe accused Pyongyang of violating a UN Security Council resolution. Pyongyang's launch of ballistic missiles in May was also a violation of the UN resolution adopted in October demanding the North halt its ballistic missile development program.

According to government sources, the missiles launched on the three dates in question are believed to be models of the KN-02, an improved version of the short-range SS-21 ballistic missile of the former Soviet Union. The KN-02 is believed to be powered by solid fuel and have a range of up to 120 kilometers. A Defense Ministry official said the missile poses no direct threat to Japan's security. Initially, the missile fired in late May and early June were thought to be improved models of the Silkworm anti-ship cruise missile.

There have been signs of a thaw between North Korea and the United States, as seen in Pyongyang's announcement to readmit International Atomic Energy Agency (IAEA) inspectors, as was agreed upon in the six-party talks in February. The ballistic missiles launched conducted under such circumstances have sparked various speculations in the Japanese government about Pyongyang's motive. Some think that the North might have been unaware that it had violated the Security Council resolution because the launches were conducted as part of drills that are usually held during the same period each year. Others speculate that Pyongyang wanted to see whether the United States was really ready to mend fences with the North.

The US government, which did not react strongly to the missile launches on May 25 and June 7, accused the North's launches on June 27 as a violation of the UN resolution, demonstrating its double standard toward the North.

A Japanese government official took this view about Washington's inconsistent response to Pyongyang's missile launches: "The United States had ignored the launches on the first two days because they were short-range missiles. But Washington's increasingly attitude of appeasing the North, as seen in a visit to Pyongyang by Assistant Secretary of States Christopher Hill, has forced the hardliners in

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the Bush administration to retreat."

15) Government to financially contribute to IAEA activities for denuclearization of North Korea

NIKKEI (Page 2) (Full)
July 7, 2007

The government decided yesterday to make financial contributions to the International Atomic Energy Agency's (IAEA) planned activities to monitor and verify the shutdown and sealing of nuclear facilities in North Korea. The purpose is to indirectly assist the IAEA in its activities to denuclearize North Korea. The government plans to come up with a specific amount in order to announce it at the special IAEA directors meeting on July 9.

According to a report by the IAEA working-level team that visited

Pyongyang earlier, activities in North Korea would cost the nuclear watchdog 3.9 million euros, or 640 million yen, for two years from 2007. The United States is also considering making contributions.

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Japan, which has no intention of providing energy aid to the North unless the abduction issue is settled, draws a distinction with other six-party members -- the United States, China, South Korea, and Russia. Tokyo has decided to make financial contributions to the IAEA, concluding that such would not constitute direct assistance to the North. Tokyo also intends to avoid being further isolated in the six-party talks by playing up its eagerness to contribute to the North Korea nuclear issue.

SCHIEFFER